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5 UNITED STATES DISTRICT COURT
6 WESTERN DISTRICT OF WASHINGTON
7 AT SEATTLE

8 JULIE STEELE,

9 Plaintiff,

CASE NO. C18-0019-MAT

10 v.

ORDER RE: SOCIAL SECURITY
DISABILITY APPEAL

11 NANCY A. BERRYHILL, Deputy
Commissioner of Social Security for
Operations,

12 Defendant.
13

14 Plaintiff Julie Steele proceeds through counsel in her appeal of a final decision of the
15 Commissioner of the Social Security Administration (Commissioner). The Commissioner denied
16 plaintiff's applications for Disability Insurance Benefits (DIB) and Supplemental Security Income
17 (SSI) after a hearing before an Administrative Law Judge (ALJ). Having considered the ALJ's
18 decision, the administrative record (AR), and all memoranda of record, this matter is REMANDED
19 for further administrative proceedings.

20 **FACTS AND PROCEDURAL HISTORY**

21 Plaintiff was born on XXXX, 1970.¹ She graduated high school, attended vocational
22

23 ¹ Dates of birth must be redacted to the year. Fed. R. Civ. P. 5.2(a)(2) and LCR 5.2(a)(1).

1 training, and obtained a cosmetology license. (AR 45.) Plaintiff previously worked as a check
2 cashier, customer service representative, and hair stylist. (AR 64-65.)

3 Plaintiff protectively filed an application for DIB in March 2013, alleging disability
4 beginning June 28, 2011, and protectively filed for SSI in January 2015, alleging disability
5 beginning July 24, 2012. (AR 184, 200.) The applications were denied at the initial level and on
6 reconsideration.

7 On January 13, 2016, ALJ Ilene Sloan held a hearing, taking testimony from plaintiff and
8 a vocational expert (VE). (AR 39-70.) On April 26, 2016, the ALJ issued a decision finding
9 plaintiff not disabled. (AR 11-32.) The ALJ declined to open a prior DIB application denied on
10 January 29, 2013. As a result, the period under review for the DIB and SSI applications under
11 consideration began on January 30, 2013. (AR 11.)

12 Plaintiff timely appealed. The Appeals Council denied plaintiff's request for review on
13 November 7, 2017 (AR 1), making the ALJ's decision the final decision of the Commissioner.
14 Plaintiff appealed this final decision of the Commissioner to this Court.

15 **JURISDICTION**

16 The Court has jurisdiction to review the ALJ's decision pursuant to 42 U.S.C. § 405(g).

17 **DISCUSSION**

18 The Commissioner follows a five-step sequential evaluation process for determining
19 whether a claimant is disabled. *See* 20 C.F.R. §§ 404.1520, 416.920 (2000). At step one, it must
20 be determined whether the claimant is gainfully employed. The ALJ found plaintiff had not
21 engaged in substantial gainful activity since the alleged onset date. At step two, it must be
22 determined whether a claimant suffers from a severe impairment. The ALJ found the following
23 impairments severe: fibromyalgia, obesity, Sjogren's syndrome, cervical degenerative disc

1 disease, depression, and anxiety (alternatively referred to as post-traumatic stress disorder). Step
2 three asks whether a claimant's impairments meet or equal a listed impairment. The ALJ found
3 plaintiff's impairments did not meet or equal the criteria of a listed impairment.

4 If a claimant's impairments do not meet or equal a listing, the Commissioner must assess
5 residual functional capacity (RFC) and determine at step four whether the claimant has
6 demonstrated an inability to perform past relevant work. The ALJ found plaintiff able to perform
7 sedentary work as defined in 20 C.F.R. §§ 404.1567(a), 416.967(a), except that she can never
8 climb ladders, ropes, or scaffolds; occasionally balance, stoop, crouch, crawl, and climb ramps and
9 stairs; frequently kneel; understand, remember, and carry out simple, routine tasks, as well as some
10 complex tasks; and she must avoid more than occasional exposure to extreme heat, wetness,
11 humidity, vibration, fumes, odors, gases, poor ventilation, and workplace hazards. With that
12 assessment, the ALJ found plaintiff able to perform her past relevant work as a check cashier and
13 customer service representative.

14 If a claimant demonstrates an inability to perform past relevant work, or has no past
15 relevant work, the burden shifts to the Commissioner to demonstrate at step five that the claimant
16 retains the capacity to make an adjustment to work that exists in significant levels in the national
17 economy. With the assistance of the VE, the ALJ also found plaintiff capable of performing other
18 jobs, such as work as a document preparer, final assembler, and phone solicitor.

19 This Court's review of the ALJ's decision is limited to whether the decision is in
20 accordance with the law and the findings supported by substantial evidence in the record as a
21 whole. *See Penny v. Sullivan*, 2 F.3d 953, 956 (9th Cir. 1993). *Accord Marsh v. Colvin*, 792 F.3d
22 1170, 1172 (9th Cir. 2015) ("We will set aside a denial of benefits only if the denial is unsupported
23 by substantial evidence in the administrative record or is based on legal error.") Substantial

1 evidence means more than a scintilla, but less than a preponderance; it means such relevant
2 evidence as a reasonable mind might accept as adequate to support a conclusion. *Magallanes v.*
3 *Bowen*, 881 F.2d 747, 750 (9th Cir. 1989). If there is more than one rational interpretation, one of
4 which supports the ALJ's decision, the Court must uphold that decision. *Thomas v. Barnhart*, 278
5 F.3d 947, 954 (9th Cir. 2002).

6 Plaintiff argues the ALJ erred in assessing medical opinions and lay testimony, and failed
7 to meet her burden at steps four and five. She requests remand for further administrative
8 proceedings. The Commissioner argues the ALJ's decision has the support of substantial evidence
9 and should be affirmed.

10 Medical Opinion Evidence

11 Plaintiff maintains error in the ALJ's assessment of medical opinions from treating
12 physician Dr. Brent Whitehead, examining psychologists Dr. Ellen Walker and Dr. Douglas Uhl,
13 and medical assistant Eric Papritz. In general, more weight should be given to the opinion of a
14 treating physician than to a non-treating physician, and more weight to the opinion of an examining
15 physician than to a non-examining physician. *Lester v. Chater*, 81 F.3d 821, 830 (9th Cir. 1996).
16 Because the record in this case contained contradictory physician opinions, the ALJ was required
17 to give "specific and legitimate reasons" supported by substantial evidence in the record" for
18 rejecting the opinions of Drs. Whitehead, Walker, and Uhl. *Id.* at 830-31 (quoting *Murray v.*
19 *Heckler*, 722 F.2d 499, 502 (9th Cir. 1983)). The opinions of Papritz were entitled to less weight,
20 *Gomez v. Chater*, 74 F.3d 967, 970 (9th Cir. 1996), and could be rejected with germane reasons,
21 *Molina v. Astrue*, 674 F.3d 1104, 1111 (9th Cir. 2012).

22 A. Dr. Brent Whitehead

23 In October 2014, Dr. Whitehead assessed plaintiff as able to sit for four hours and

1 stand/walk for three hours in an eight-hour day, able to occasionally lift up to ten pounds, limited
2 in various other respects, and suffering from fatigue, but not fatigue disabling to the extent it
3 prevented full time work. (AR 716-17.) He also opined plaintiff's severe pain, due to fibromyalgia,
4 auto immune disorder, and neck surgery, would prevent her from performing even sedentary work,
5 and precluded the attention and concentration required for even simple, unskilled work tasks. (AR
6 718-19.) In December 2014, Dr. Whitehead assigned more severe physical limitations, including
7 the ability to sit, stand, or walk only one hour in an eight-hour day. (AR 549-52; *accord* AR 556-
8 58 (December 2014 opinions submitted to insurance).) He identified fatigue due to fibromyalgia,
9 depression, and anxiety and pain due to fibromyalgia, deemed the fatigue and pain disabling to the
10 extent they prevented even sedentary full time work, and again found the pain to preclude even
11 simple, unskilled work tasks. (AR 550-52.)

12 The ALJ found Dr. Whitehead's "severely restrictive" opinions largely based on plaintiff's
13 subjective reporting of her fibromyalgia and Sjogren's syndrome symptoms, and not reasonable
14 given the objective medical evidence. (AR 27.) "For example, although Dr. Whitehead's
15 treatment notes usually depict the claimant as reporting fatigue symptoms, the claimant did not
16 regularly make fatigue complaints with other medical providers, and her various descriptions of
17 her daily activities are inconsistent with significant fatigue symptoms." (*Id.* (citations omitted).)
18 The ALJ pointed to an August 2013 report of "working out 3 days per week at her gym with a
19 good program and a trainer", a March 2015 report plaintiff was "hopeful to start a walking
20 program", and other mentions of visiting a gym. (*Id.* (citations omitted).) The ALJ also pointed to
21 the observation of non-examining physician Dr. Douglas Haselwood that "Dr. Whitehead's
22 assessment of the claimant's severely restrictive limitations from fatigue 'is based entirely on self-
23 assertion' on the part of the claimant, as he 'did not determine any measurably defined

1 pathophysiologic mechanisms to account for' her perceptions of severe fatigue.” (*Id.* (citing AR
2 843).) She gave the opinions of Dr. Whitehead little weight, deeming them ultimately inconsistent
3 with the totality of the medical and nonmedical evidence, and “more consistent with the profile of
4 a physician who is advocating for his patient.” (*Id.*)

5 An ALJ may discount a physician’s opinion to the extent it relies to a large extent on the
6 properly discounted self-reporting of a claimant, where it lacks the support of objective medical
7 evidence, and/or based on inconsistency with the evidence. *Tommasetti v. Astrue*, 533 F.3d 1035,
8 1041 (9th Cir. 2008), and *Batson v. Commissioner*, 359 F.3d 1190, 1195 (9th Cir. 2004). The ALJ
9 is responsible for assessing the medical evidence and resolving any conflicts or ambiguities in the
10 record. *See Treichler v. Comm’r of Soc. Sec. Admin.*, 775 F.3d 1090, 1098 (9th Cir. 2014);
11 *Carmickle v. Comm’r of SSA*, 533 F.3d 1155, 1164 (9th Cir. 2008).

12 The examples proffered by the ALJ in support of her conclusion do not withstand scrutiny.
13 As plaintiff observes, in many of the instances in which she failed to complain of fatigue, she was
14 seeking treatment for unrelated, at times acute medical issues. (*See, e.g.*, AR 502, 516, 534
15 (abdominal discomfort/pain), AR 505 (excess skin from bariatric surgery and ankle sprain), AR
16 529-30 (head cold), AR 700 (chest pain and leg swelling), AR 721 (hernia, abdominal pain,
17 vomiting), AR 724 (abdominal pain, anorexia, nausea), and AR 845 (abdominal pain, vomiting).)
18 It is not surprising plaintiff was consistently asked about and complained of fatigue to her primary
19 care provider, but not in all instances in which she sought medical care. The ALJ also failed to
20 acknowledge numerous instances in which plaintiff did report fatigue to other medical providers.
21 (AR 432, 472, 496, 663-65, 670, 675, 807; *see also* AR 508 (“She does appear tired and in some
22 discomfort.”); AR 532 (sleep disturbance).)

23 The ALJ’s reliance on evidence of exercise is also problematic. As recognized elsewhere

1 in the ALJ's decision, Dr. Margaret Kinsella, a rheumatologist, identified exercise as a beneficial
2 treatment for fibromyalgia. (AR 26, 497 ("She is cautioned that not moving her limbs will create
3 more disability in the future. . . . She is advised to start movement program with the support of
4 PT at south campus, fibromyalgia pathway. . . . Studies show people with fibromyalgia do best
5 if they can get more sleep, exercise and get counseling.")) Other medical providers similarly
6 recommended exercise. (See AR 507 (August 2013: working out three days a week at her gym
7 with a good program and a trainer; advised to try yoga and start physical therapy for worsening
8 fibromyalgia pain); AR 698 (March 2015: "[S]he is describing symptoms of head to toe pain being
9 unable to get out of bed at times. She does recognize the importance of exercise and is working
10 with her primary care provider to qualify for pool therapy."); AR 615 (May 2015: "Back in gym[,]
11 getting some exercise.")) The ALJ, in fact, stated plaintiff appeared to have "engaged in only
12 sporadic exercise" since the alleged onset date, and found the failure to adhere to the
13 recommendation to exercise to suggest her fibromyalgia symptoms were not as severe as she
14 alleged. (AR 26.) The ALJ did not reasonably rely on this same evidence of sporadic exercise as
15 contradictory to the opinions of Dr. Whitehead.

16 The ALJ did, on the other hand, properly consider the contradictory opinion evidence from
17 non-examining physician Dr. Haselwood. See *Morgan v. Comm'r of the SSA*, 169 F.3d 595, 602
18 (9th Cir. 1999) (ALJ may reject the opinion of a treating or examining physician "based, *in part*
19 on the testimony of a nontreating, nonexamining medical advisor."); *Saelee v. Chater*, 94 F.3d
20 520, 522 (9th Cir. 1996) ("[T]he findings of a nontreating, nonexamining physician can amount to
21 substantial evidence, so long as other evidence in the record supports those findings."). Contrary
22 to plaintiff's contention, the ALJ did not unreasonably favor the opinion of a reviewing physician
23 who relied upon the same or less information than the treating physician. Dr. Haselwood's report

1 reflects his consideration of records from numerous medical sources. (AR 837-44.) Dr.
2 Haselwood was, moreover, aware that Dr. Whitehead considered both physical and mental
3 impairments in offering his opinion, and similarly acknowledged the impact of plaintiff's mental
4 health issues on her functioning. (AR 839.) Also, neither Dr. Haselwood, nor the ALJ improperly
5 rejected the fibromyalgia diagnosis based on an absence of objective support. *See Revels v.*
6 *Berryhill*, 874 F.3d 648, 658, 663-64 (9th Cir. 2017); Social Security Ruling (SSR) 12-p. The ALJ
7 instead reasonably considered Dr. Haselwood's opinion of deficiencies in the evidence from Dr.
8 Whitehead. (AR 27; AR 841 ("Unfortunately, Dr. Whitehead, . . . , did not adequately document
9 the rationale or algorithm that he used to independently diagnose the syndrome of fibromyalgia or
10 Sjogren's syndrome or the measurable clinical or physical evidence of impairments,
11 musculoskeletal or otherwise, that these diagnoses would permanently preclude Ms. Steele from
12 at least a sedentary level of physical vocational functionality."))

13 Taken as a whole, the Court finds the above-described errors to undermine the substantial
14 evidence support for the ALJ's conclusion. The ALJ should reconsider the opinions of Dr.
15 Whitehead on remand.

16 B. Dr. Ellen Walker

17 Dr. Walker conducted a consultative psychological examination of plaintiff in October
18 2013. (AR 537-39.) Plaintiff appeared cognitively bright, "but her physical health issues are
19 having a significant impact on her ability to be independent and productive in daily life." (AR
20 539.) Plaintiff would have difficulty focusing and filtering out distractions on the job because of
21 her chronic pain and low energy, ought to have no difficulty with simple instructions, but would
22 have difficulty with more complex instructions due to poor focus, has excellent interpersonal skills
23 and has worked effectively with the public in the past, and would not have difficulty accepting

1 instructions from supervisors. Plaintiff would still have trouble consistently getting to and staying
2 at work, and her ability to maintain regular work attendance is markedly impaired. She would not
3 have difficulty responding to changes in the workplace, should not have trouble with awareness of
4 workplace hazards and could take precautions on her own, can travel alone in unfamiliar places
5 and use public transportation, sets goals for herself, and makes basic plans independently of others.

6 The ALJ gave great weight to Dr. Walker's opinion of unlimited ability to accept
7 instructions from supervisors, finding it supported by the balance of the evidence, including
8 plaintiff's own statements provided in a function report. (AR 28.) The ALJ gave the remainder
9 of the opinions of Dr. Walker little weight, finding inconsistency with the balance of the medical
10 evidence. "In particular, her restrictive assessment of the claimant's ability to maintain workplace
11 attendance is largely based upon the claimant's subjective descriptions of her past medical and
12 personal history." (*Id.*) On mental status examination (MSE), Dr. Walker found plaintiff able to
13 perform serial threes, complete a three-step command, and follow a conversation easily. Also, by
14 her own acknowledgement, plaintiff had not engaged in any mental health counseling until
15 November 2014, over a year after Dr. Walker's evaluation. (*See* AR 560, 629.)

16 The ALJ reasonably construed the opinions of Dr. Walker as relying in significant part on
17 plaintiff's properly discounted subjective reporting. *Tommasetti*, 533 F.3d at 1041. The only
18 abnormal observation or result on MSE included a depressed affect. (*See* AR 538 (arrived early
19 and drove herself; neatly groomed; normal speech; fully oriented; named current and past
20 presidents; recalled 3 of 3 objects after 5 minutes, and 5 digits forward and 4 backwards; followed
21 three-step command and conversation easily; named border states; completed serial 3s to 40 with
22 no errors; correctly spelled world forward and backwards; easily differentiated left from right;
23 abstract verbal reasoning skills estimated as average).) Dr. Walker explicitly considered plaintiff's

1 reporting regarding her physical impairments and her prior employment in rendering his opinions.
2 (*See* AR 539.)

3 The ALJ also rationally construed the opinions of Dr. Walker as inconsistent with the
4 remainder of the record. *See Tommasetti*, 533 F.3 at 1041 (ALJ properly considers inconsistency
5 with the record), and *Morgan*, 169 F.3d at 599 (“Where the evidence is susceptible to more than
6 one rational interpretation, it is the ALJ’s conclusion that must be upheld.”) The conclusion finds
7 the support of substantial evidence in the ALJ’s earlier discussion of the medical evidence
8 associated with plaintiff’s mental health impairments. (*See* AR 20-21 (summarizing evidence and
9 concluding that, while plaintiff had occasionally presented with a depressed mood and affect, she
10 has generally exhibited normal mood, affect, and/or behavior during numerous medical visits, has
11 been specifically assessed with normal judgment, insight, and thought content over multiple
12 exams, and, while the objective findings and chronic pain symptoms reasonably support a
13 limitation to simple, routine and some complex tasks, they do not support allegations of entirely
14 disabling mental symptoms); *see also* AR 28-29 (addressing contrary opinions of non-examining
15 State agency psychologists and consulting psychiatrist).)

16 The ALJ, finally, drew a reasonable inference in contrasting the opinions of Dr. Walker
17 with the absence of mental health treatment for a considerable period of time. *See generally*
18 *Sample v. Schweiker*, 694 F.2d 639, 642 (9th Cir. 1982) (“Where evidence is susceptible of more
19 than one rational interpretation, it is the ALJ’s conclusion which must be upheld. In reaching his
20 findings, the law judge is entitled to draw inferences logically flowing from the evidence.”) (cited
21 sources omitted). However, on remand, the ALJ should consider any reasons for plaintiff’s failure
22 to seek treatment. *See* SSR 16-3p (“We will not find an individual’s symptoms inconsistent with
23 the evidence in the record on this basis without considering possible reasons he or she may not

1 comply with treatment or seek treatment consistent with the degree of his or her complaints.”);
2 *Regennitter v. Comm’r Soc. Sec. Admin.*, 166 F.3d 1294, 1299-1300 (9th Cir. 1999) (“[W]e have
3 particularly criticized the use of a lack of treatment to reject mental complaints both because
4 mental illness is notoriously underreported and because ‘it is a questionable practice to chastise
5 one with a mental impairment for the exercise of poor judgment in seeking rehabilitation.’”)
6 (quoting *Van Nguyen v. Chater*, 100 F.3d 1462, 1465 (9th Cir. 1996)).

7 C. Dr. Douglas Uhl

8 Dr. Uhl conducted a psychological examination of plaintiff in December 2014. (AR 560-
9 69.) He assessed plaintiff as moderately limited in relation to very short and simple instructions
10 and markedly limited in relation to detailed instructions, the ability to learn new tasks, perform
11 routine tasks without special supervision, adapt to changes, make simple work-related decisions,
12 and be aware of normal hazards and take precautions. (AR 562.) He found plaintiff severely
13 restricted in the ability to perform activities within a schedule, maintain regular attendance and be
14 punctual, ask simple questions and request assistance, communicate and perform effectively,
15 complete a normal workday and week without interruptions, maintain appropriate behavior, and
16 set realistic goals and plan independently. (*Id.*)

17 The ALJ gave Dr. Uhl’s “overly-restrictive” opinions little weight, finding them
18 inadequately explained and otherwise inconsistent with the balance of the medical evidence. (AR
19 29.) “In particular, the claimant’s generally normal [MSE] findings over numerous medical visits
20 both prior to and after Dr. Uhl’s December 2014 evaluation . . . are contrary to Dr. Uhl’s objective
21 exam findings and assessments.” (*Id.* (citing AR 399, 597, 599, 612, 615, 617, 664, 668, 678, 681,
22 683, 685, 694, 699.)) The ALJ found the opinion inconsistent with plaintiff’s “ability to drive,
23 work out at a gym 3-4 days a week, play solitaire, prepare simple meals, pay bills, use a computer

1 to communicate with others, and spend time with friends.” (*Id.*) She noted the assessment was a
2 one-time evaluation, rendered on a check-box form, with no explanations provided.

3 The ALJ reasonably found inconsistency between the opinions of Dr. Uhl and the balance
4 of the record. *Tommasetti*, 533 F.3d at 1041. For example, in addition to the numerous normal
5 MSE findings throughout the record, there were stark differences in the comprehensive MSEs
6 conducted by Drs. Walker and Uhl. (*Compare* AR 538 (described *supra* at 9-10), with AR 563-
7 64 (speech very angry and demanding at first, demanding and pleading attitude, depressed, fearful
8 and hostile mood, labile affect; finding thought process, orientation, perception, memory,
9 concentration, abstract thought, and insight and judgment not within normal limits; plaintiff, for
10 example, did not know the season of the year, recalled only 2 of 5 words after 5 minutes, completed
11 only 2 of 4 step task, and had extremely poor insight and judgment).) The ALJ also reasonably
12 identified inconsistencies with plaintiff’s activities, including activities going beyond her
13 engagement in exercise. *Rollins v. Massanari*, 261 F.3d 853, 856 (9th Cir. 2001) (ALJ may
14 consider inconsistency with claimant’s level of activity). Finally, an ALJ may reject ““check-off
15 reports that [do] not contain any explanation of the bases of their conclusions.”” *Molina*, 674 F.3d
16 at 1111 (quoting *Crane v. Shalala*, 76 F.3d 251, 253 (9th Cir. 1996)). Given the absence of any
17 explanations provided for the check-off designations of marked and severe limitations (AR 562),
18 the ALJ’s depiction of the report from Dr. Uhl was reasonable. However, because it is also
19 reasonable to assume the limitations assessed by Dr. Uhl derived from the MSE, the ALJ is advised
20 to acknowledge as such on remand.

21 D. Eric Papritz

22 Mental health provider Eric Papritz completed a report for insurance-related purposes in
23 December 2014. (AR 554-56.) He identified mild impairment in concentration, moderate

1 impairment in activities of daily living, and marked impairment in social functioning and
2 adaptation to stress. (AR 555.) Papritz opined plaintiff would be unable to perform her past job
3 or work for a different employer doing similar work activities, and that her mental health would
4 not improve until she receives more treatment. (AR 555-56.)

5 The ALJ noted Papritz is not an “acceptable medical source” pursuant to applicable Social
6 Security regulations, and that the issue of disability is reserved to the Commissioner. (AR 29.)
7 She found Papritz’s opinion contrary to the large balance of the medical evidence, including the
8 generally normal findings on numerous MSEs, and gave it little weight.

9 Plaintiff argues the ALJ mischaracterized this opinion as a general finding she was unable
10 to work, and that the mere fact Papritz is an “other” source does not serve as a reason to reject the
11 opinion, *see* SSR 06-3p (rescinded effective March 27, 2017). Plaintiff also downplays the
12 significance of MSE findings.

13 The Court finds no error. The ALJ accurately observed that Papritz is not an acceptable
14 medical source, but did not reject his opinion based on that characterization. The ALJ also
15 accurately reflected that, while Papritz opined plaintiff could not return to her former or different
16 work, the determination of whether a claimant is disabled or unable to work is ultimately reserved
17 to the Commissioner. 20 C.F.R. §§ 404.1527(d)(1), 416.927(d)(1) (applicable to claims filed
18 before March 27, 2017). The ALJ reasonably deemed the opinion of Papritz contrary to the medical
19 evidence as a whole, including, but not limited to, MSE findings. (*See* AR 20-21.) In so doing,
20 the ALJ provided a germane reason for rejecting this opinion evidence.

21 Lay Witness Testimony

22 Lay witness testimony as to a claimant’s symptoms or how an impairment affects ability
23 to work is competent evidence and cannot be disregarded without comment. *Van Nguyen*, 100

1 F.3d at 1467. The ALJ can reject the testimony only upon giving reasons germane to the witness.
2 *Smolen v. Chater*, 80 F.3d 1273, 1288-89 (9th Cir. 1996).

3 The ALJ here considered lay testimony from plaintiff's significant other, J. David
4 Gonzales, submitted on a third party function report. (AR 30, 257-64.) She described the lay
5 statements as generally mirroring those provided in the function report completed by plaintiff. She
6 noted the reports of Gonzales that plaintiff can "'almost always' pay attention," "has 'no problems'
7 following written or spoken instructions[,]'" and that her ability to handle stress "'can be a
8 challenge sometimes' due to her anxiety." (AR 30, 262-63.) The ALJ concluded: "With respect
9 to assessing the claimant's quantitative functional limitations, Mr. Gonzales' statements are
10 accorded little weight because of their general inconsistency with objective medical evidence,
11 including opinion evidence from acceptable medical sources indicating that the claimant is more
12 functional than these lay statements suggest." (AR 30.)

13 "One reason for which an ALJ may discount lay testimony is that it conflicts with medical
14 evidence." *Lewis v. Apfel*, 236 F.3d 503, 511 (9th Cir. 2001). The ALJ in this case reasonably
15 found inconsistency between the lay testimony and the medical evidence. She did not, as plaintiff
16 avers, improperly reject the testimony based on an absence of support from "'overall medical
17 evidence'" in the record. *Diedrich v. Berryhill*, 874 F.3d 634, 640-41 (9th Cir. 2017). The ALJ
18 therefore provided a germane reason for assigning this evidence little weight.

19 An ALJ may also find the reasons for discounting a claimant's testimony equally applicable
20 to the testimony of a lay witness. *Molina*, 674 F.3d at 1122. *See also Valentine v. Comm'r SSA*,
21 574 F.3d 685, 694 (9th Cir. 2009) (because "the ALJ provided clear and convincing reasons for
22 rejecting [the claimant's] own subjective complaints, and because [the lay witness's] testimony
23 was similar to such complaints, it follows that the ALJ also gave germane reasons for rejecting

1 [the lay witness's] testimony"). In stating that the lay witness testimony mirrored that of plaintiff,
2 the ALJ appeared to provide another germane reason for discounting the lay testimony. The ALJ
3 also specifically took note of testimony identifying plaintiff's ability to perform certain tasks. On
4 remand, the ALJ should take the opportunity to provide further clarification as to any and all
5 reasons for the decision regarding lay testimony.

6 Steps Four and Five

7 Plaintiff avers step four error resulting from earlier errors in the sequential evaluation. The
8 Court agrees the ALJ's RFC assessment could be implicated by errors in the consideration of the
9 medical opinions. On remand, the ALJ should reconsider plaintiff's RFC and ability to perform
10 past relevant work and/or other work at steps four and five.

11 Plaintiff also assigns error in relation to the telephone solicitor job identified at step five.
12 The VE testified that, while classified as semi-skilled with a specific vocational preparation (SVP)
13 score of 3, "as a practical matter" there were "many" entry level telephone solicitor jobs. (AR 67.)
14 Plaintiff maintains the VE did not identify the number of unskilled telephone solicitor jobs in the
15 national or regional economy and, instead, identified only the total number of those jobs as a
16 general matter. However, the Court finds the VE's testimony rationally construed as providing
17 the number of telephone solicitor jobs "remaining" after elimination of the semi-skilled positions.
18 (*See id.* (phone solicitor job is "semi-skilled work with an SVP of 3, but as a practical matter, I
19 think there are many entry level jobs in this occupation[,] with "over 192,000 *remaining* in the
20 United States and over 5,500 here in Washington.") (emphasis added).

21 In any event, error in reliance on the telephone solicitor job is properly deemed harmless.
22 *Molina*, 674 F.3d at 1115 (error may be deemed harmless where it is "inconsequential to the
23 ultimate nondisability determination."); the court looks to "the record as a whole to determine

1 whether the error alters the outcome of the case.”) (cited sources omitted). The ALJ found plaintiff
2 capable of past relevant work at step four and identified two other occupations other than telephone
3 solicitor plaintiff could perform, each with a significant number of jobs nationally. (AR 31-32
4 (document preparer, with 64,000 jobs nationally, and final assembler, with 32,000 jobs
5 nationally).) *See, e.g., Gutierrez v. Comm’r of Soc. Sec.*, 740 F.3d 519, 528-29 (9th Cir. 2014)
6 (25,000 jobs in several regions of the country constituted significant number); *Moncada v. Chater*,
7 60 F.3d 521, 524 (9th Cir. 1995) (64,000 jobs nationwide constituted a significant number).)

8 CONCLUSION

9 For the reasons set forth above, this matter is REMANDED for further administrative
10 proceedings.

11 DATED this 3rd day of August, 2018.

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13 Mary Alice Theiler
14 United States Magistrate Judge
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